



The Lynde and Harry
BRADLEY FOUNDATION

2005 Annual Report



The Lynde and Harry
BRADLEY FOUNDATION
2005 Annual Report

Board of Directors



Seated, left to right:

Michael W. Grebe, President & CEO

Thomas L. Rhodes, Chairman

Reed Coleman, Vice Chairman

Standing, left to right:

William L. Armstrong

Pierre S. du Pont

David V. Uihlein, Jr.

Brother Bob Smith

Thomas L. Smallwood

Terry Considine

Officers

Thomas L. Rhodes, Chairman
Reed Coleman, Vice Chairman
Michael W. Grebe, President & CEO
Thomas L. Smallwood, Secretary
Daniel P. Schmidt, Vice President for Program
Cynthia K. Friauf, Vice President for Finance, Treasurer & Assistant Secretary
R. Michael Lempke, Vice President for Investments
Mandy L. Hess, Assistant Treasurer
Terri L. Famer, Assistant Secretary

Program Staff

Daniel P. Schmidt, Vice President for Program
Dianne J. Sehler, Director of Academic, International and Cultural Programs
Michael E. Hartmann, Director of Research and Evaluation
Alicia L. Manning, Director of New Citizenship Programs
Janet F. Riordan, Director of Community Programs
William J. Bergeron, Librarian
Dionne M. Denham, Program Assistant

Finance and Investment Staff

Cynthia K. Friauf, Vice President for Finance
R. Michael Lempke, Vice President for Investments
Mandy L. Hess, Controller
Yvonne Engel, Grants Administrator

Administrative Staff

Terri L. Famer, Director of Administration
Ann M. Herbst, Human Resources Administrator
Gary J. Cavender, Operations
Dennis H. Grueneberg, Operations
Kimberly A. Tietzen, Office Assistant
Diane M. Lask, Receptionist/Clerical Assistant

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In 1903, Lynde and Harry Bradley established a new business in Milwaukee, Wisconsin. It took courage and confidence for them to risk resources in a new venture, based only on their judgement of what was and their vision of what could be. The Bradleys' confidence was bolstered by the knowledge that in America, not only were they free to start a business, they could also begin again if they failed. The Bradleys, however, would not fail. Their business grew to become the Allen-Bradley Company.

When the Allen-Bradley Company was acquired by Rockwell International Corporation in 1985, a significant portion of the proceeds was dedicated to establishing The Lynde and Harry Bradley Foundation. Although it has no direct ties to the Allen-Bradley Company, the purpose of the Foundation is to commemorate Lynde and Harry Bradley by preserving and extending the principles and philosophy by which they lived and upon which they built the company.

As their efforts succeeded, their business grew and eventually extended far beyond its Milwaukee headquarters. Lynde and Harry Bradley remained devoted to the city where they began their enterprise and in which they lived and worked for so many years. Their foundation will continue the Bradleys' interest in helping to improve the quality of life in the Milwaukee metropolitan area.

The Bradleys lived and worked according to several philosophical principles. They believed that, over time, the consequences of ideas were more decisive than the force of political or economic movements. They recognized the interdependence of human endeavors—cultural, educational, philosophical, economic—and they rejected exclusionary emphasis on any single element. The brothers had an abiding belief in the dignity and decency of each person. They felt that only in an environment of political and economic freedom could individuals develop their talents, hone their skills and intellects, and contribute to the improvement of the human condition. The success of the Allen-Bradley Company stands as eloquent testimony to the enduring quality of these principles.

The Bradley brothers were committed to preserving and defending the tradition of free representative government and private enterprise that has enabled the American nation and, in a larger sense, the entire Western world to flourish intellectually and economically. The Bradleys believed that the good society is a free society. The Lynde and Harry Bradley Foundation is likewise devoted to strengthening American democratic capitalism and the institutions, principles and values that sustain and nurture it. Its programs support limited, competent government; a dynamic marketplace for economic, intellectual, and cultural activity; and a vigorous defense at home and abroad of American ideas and institutions. In addition, recognizing that responsible self-government depends on enlightened citizens and informed public opinion, the Foundation supports scholarly studies and academic achievement.

*T*he Foundation's Board, on occasion, undertakes to define and redefine its current program interests. At present, the Foundation aims to encourage projects that focus on cultivating a renewed, healthier, and more vigorous sense of citizenship among the American people, and among peoples of other nations, as well.

The free society so central to the convictions and success of the Bradley brothers rests upon and is intended to nurture a solid foundation of competent, self-governing citizens, who are understood to be fully capable of and personally responsible for making the major political, economic, and moral decisions that shape their own lives, and the lives of their children. Such decisions are made on the basis of common sense, received wisdom, traditional values, and everyday moral understandings, which are in turn nurtured and passed on to future generations by healthy families, churches, neighborhoods, voluntary associations, schools, and other value-generating "mediating structures."

This expansive understanding of citizenship is being challenged today, however, by contemporary forces and ideas that regard individuals more as passive and helpless victims of powerful external forces than as personally responsible, self-governing citizens, and that foster a deep skepticism about citizenly values and mediating structures. Consequently, authority and accountability tend to flow away from citizens toward centralized, bureaucratic, "service-providing" institutions that claim to be peculiarly equipped to cope with those external forces on behalf of their "clients." This systematic disenfranchisement of the citizen, and the consequent erosion of citizenly mediating structures, pose grave threats to the free society that the Bradley brothers cherished.

In light of these considerations, projects likely to be supported by the Foundation will generally share these assumptions:

- ✦ They will treat free men and women as genuinely self-governing, personally responsible citizens, not as victims or clients.
- ✦ They will aim to restore the intellectual and cultural legitimacy of citizenly common sense, the received wisdom of experience, everyday morality, and personal character, refurbishing their roles as reliable guideposts of everyday life.
- ✦ They will seek to reinvigorate and reempower the traditional, local institutions—families, schools, churches, and neighborhoods—that provide training in and room for the exercise of genuine citizenship, that pass on everyday morality to the next generation, and that cultivate personal character.
- ✦ They will encourage decentralization of power and accountability away from centralized, bureaucratic, national institutions back to the states, localities, and revitalized mediating structures where citizenship is more fully realized.

*I*n addition to these thematic considerations, eligible projects will exhibit these features:

- ✦ They may address any arena of public life—economics, politics, culture, or civil society—where citizenship as here understood is an important issue. It is important to note that our view of citizenship is not primarily concerned with promoting civics education, voter awareness or turn-out, or similar activities narrowly focused on voting and elections.
- ✦ They may address the problem of citizenship at home or abroad, where the fall of many (and the perpetuation of some) totalitarian regimes has made this issue particularly urgent.
- ✦ In light of our emphasis on decentralization, and considering the Foundation's deep roots in Milwaukee and Wisconsin—areas with proud traditions of innovation and experimentation in democratic citizenship—community and state projects will be of particular interest to us. Such projects will aim to improve the life of the community through increasing cultural and educational opportunities, grass-roots economic development, and effective and humane social and health services, reflecting where possible the Foundation's focus on the resuscitation of citizenship.
- ✦ Projects may be actual demonstrations of the resuscitation of citizenship in the economic, political, cultural, or social realms; policy research and writing about approaches encouraging that resuscitation; academic research and writing that explore the intellectual roots of citizenship, its decline, and prospects for revival; and popular writing and media projects that illustrate for a broader public audience the themes of citizenship.

Much of the creative and energetic leadership essential for a renewal of citizenship will be supplied by gifted individuals, who must receive challenging and stimulating programs and instruction at all levels of their education. The Foundation supports programs that research the needs of gifted children and techniques of providing education for students with superior skills and/or intelligence. Research programs investigating how learning occurs in gifted children and demonstration programs of instruction are to be considered.

*T*he programs and funding decisions of the Bradley Foundation are the responsibility of the Board of Directors. At the discretion of the Board, the policies set forth herein will be modified in response to changing conditions and priorities.

The guidelines established by the Board of Directors will normally preclude funding for unspecified and undetailed overhead costs. No funds will be authorized for fees payable to fund-raising counsel. In addition, grants without significant import to the Foundation's areas of interest will only under special conditions be considered for endowment or deficit-financing purposes.

The Foundation will:

- ✦ Normally award grants only to organizations and institutions exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code and publicly supported under Section 509(a)(1), (2) or (3);
- ✦ Favor projects that are not normally financed by public tax funds;
- ✦ Consider requests for building projects and, limit grants to a fraction of the total project cost.

Grantees must possess the resources to properly administer grants from the Foundation. The Foundation conducts an annual evaluation of grants, and grantees are asked to provide periodic reports on the progress of their work.

*T*wo steps are required in the application process. First, the applicant should prepare a brief letter of inquiry, describing the applicant's organization and intended project. If the Foundation determines the project to be within its current program interests, the applicant will be invited to submit a formal proposal.

The second step is the actual submission of the proposal. Applicants should submit a letter presenting a concise description of the project, its objectives and significance, and the qualifications of the organizations and individuals involved. Included with the letter should be a project budget, the amount of the grant sought from the Bradley Foundation, and other sources of support. The applicant should complete the "Grantee Tax Exempt Status Information" form included with the Program Guidelines and submit a copy of the IRS letter confirming the organization's tax-exempt and public-support status under Sections 501(c)(3) and 509(a), respectively, of the Internal Revenue Code.

Meetings between the Foundation staff and applicants, when necessary, will be arranged after the receipt of a written proposal. Final authority for making grants rests with the Board of Directors, which meets four times a year, February, May, August, and November. The Directors act on grant requests after proposals have been comprehensively reviewed by Foundation staff. Each proposal is reviewed according to its unique characteristics. To be considered at one of these meetings, proposals should be submitted by the following dates: December 1, March 1, June 1, September 1.

Whenever possible, proposals submitted by these deadlines will be considered at the next Board meeting. However, circumstances may sometimes require a lengthier period of review.

Because of the necessarily limited resources of the Foundation, many worthwhile projects cannot be supported. The demands on the Foundation's resources also limit the size of particular grants and the ability of the Foundation to make commitments for extended periods. For more information about the Bradley Foundation, including our guidelines for submitting proposals, please visit our web site at www.bradleyfdn.org.

March 2006

Proposals and inquiries should be sent to:

*Grants Program
The Bradley Foundation
1241 North Franklin Place
Milwaukee, WI 53202-2901
Phone (414) 291-9915
Fax (414) 291-9991*

Improve Education

"Recognizing that responsible self-government depends on enlightened citizens and informed public opinion, the Foundation supports scholarly studies and academic achievement."

Bradley Foundation grants in this area are made in an effort to strengthen its commitment to helping insure the widest possible universe of educational options for all parents and families. Bradley's grant giving aims to protect and expand full school choice and charter schools for all students in Milwaukee and around the country, raise the level of services for gifted students in our community, the state, and nationwide, and improve curriculum standards and accountability for results of all schools.

School Choice & Charter Schools

ALLIANCE FOR CHOICE IN EDUCATION

Denver, Colorado

To support the general operations of Hope Online Learning Academy Co-Op (HOPE) 100,000

ALLIANCE FOR SCHOOL CHOICE

Phoenix, Arizona

To support three policy summits 90,000

BLACK ALLIANCE FOR EDUCATIONAL OPTIONS

Washington, DC

To support general operations 250,000

CENTER FOR EDUCATION REFORM

Washington, DC

To support general operations 60,000

CHARTER GROWTH FUND

Broomfield, Colorado

To support general program activities 1,500,000

EXCELLENT EDUCATION FOR EVERYONE

Newark, New Jersey

To support general operations 50,000

FLORIDA SCHOOL CHOICE FUND

Tampa, Florida

To support general operations 150,000

FOUNDATION FOR EDUCATION REFORM & ACCOUNTABILITY

Clifton Park, New York

To support general operations 100,000

HARVARD UNIVERSITY

Cambridge, Massachusetts

To support an education conference 50,000

HEARTLAND INSTITUTE

Chicago, Illinois

To support publication of *School Reform News* 30,000

HISPANIC COUNCIL FOR REFORM AND EDUCATIONAL OPTIONS

Washington, DC

To support a Spanish language mass-media campaign 150,000

HOOVER INSTITUTION ON WAR, REVOLUTION AND PEACE

Stanford, California

To support Hoover's American Public Education Initiative 250,000

HOPE CHRISTIAN SCHOOLS

Milwaukee, Wisconsin

To support the Future Principals' Program 75,000

INSTITUTE FOR JUSTICE

Arlington, Virginia

To support general operations 150,000

MESSMER HIGH SCHOOL

Milwaukee, Wisconsin

To support scholarships for students displaced by Hurricane Katrina 37,860

PACIFIC RESEARCH INSTITUTE FOR PUBLIC POLICY

San Francisco, California

To support an education reform project 50,000

2005 Grants Awarded

PARTNERS ADVANCING VALUES IN EDUCATION

Milwaukee, Wisconsin

To support student scholarships 250,000

To support scholarships for students displaced by Hurricane Katrina 8,000

STATE POLICY NETWORK

Richmond, California

To support a training program 40,000

UNIVERSITY OF WASHINGTON

Seattle, Washington

To support the Center on Reinventing Public Education's "Doing School Choice Right" project 165,000

WASHINGTON SCHOLARSHIP FUND

Washington, DC

To support the D.C. Opportunity Scholarship program 100,000

Gifted Education

INSTITUTE FOR EDUCATIONAL ADVANCEMENT

South Pasadena, California

To support the 2005 Caroline D. Bradley Scholarship program and the Bradley Seminar 100,000

To support general operations 140,000

UNIVERSITY OF DENVER

Denver, Colorado

To support the program activities of the Institute for the Development of Gifted Education at the Ricks Center for Gifted Children 75,000

WISCONSIN CENTER FOR ACADEMICALLY TALENTED YOUTH

Madison, Wisconsin

To support general operations 125,000

To support the "Children of Promise-Milwaukee" program 25,000

Curriculum, Standards & Accountability

BIBLE LITERACY PROJECT

Fairfax, Virginia

To support a workshop program on the teaching of literary applications of the Bible in the K-12 curriculum 25,000

GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY

New York, New York

To support summer teaching institutes for Milwaukee teachers and history schools in Milwaukee 150,000

TOTAL IMPROVE EDUCATION 4,295,860

Promote Economic Growth and Prosperity

"The Bradley brothers were committed to preserving and defending the tradition of free representative government and private enterprise that has enabled the American nation, and, in a larger sense, the entire Western world to flourish intellectually and economically."

Consonant with its purpose the Foundation awards support for projects designated to secure a growing and prosperous economy, and, in doing so, better the prospect for the good life for all our citizens. To that end grants are made to affect government policies which lighten overall tax and regulatory burdens, open up the current retirement security system to informed individual preferences, and diminish government's role in health care by promoting the benefits of incentive-based healthcare models.

Taxes & Spending

AMERICANS FOR PROSPERITY FOUNDATION

Washington, DC

To support program activities in Wisconsin 100,000

TAX FOUNDATION

Washington, DC

To support general operations 25,000

Regulation

COMPETITIVE ENTERPRISE INSTITUTE

Washington, DC

To support the Death by Regulation program 25,000

Entitlements: Social Security/Medicare

NATIONAL CENTER FOR POLICY ANALYSIS

Dallas, Texas

To support general operations 5,000

To support the state Social Security Initiative 100,000

TEXAS A&M UNIVERSITY

College Station, Texas

To support the "Implementing Social Security and Medicare Reform" project 100,000

General

CARNEGIE MELLON UNIVERSITY

Pittsburgh, Pennsylvania

To support the Gailliot Center for Public Policy 40,000

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

Cambridge, Massachusetts

To support the Public Economics Workshop and Seminar 16,500

NATIONAL BUREAU OF ECONOMIC RESEARCH

Cambridge, Massachusetts

To support the Economics of National Security program 50,000

NATIONAL CENTER FOR POLICY ANALYSIS

Dallas, Texas

To support general operations 80,000

PACIFIC ACADEMY FOR ADVANCED STUDIES

Aliso Viego, California

To support the Alamos Alliance conference 35,000

UNIVERSITY OF CHICAGO

Chicago, Illinois

To support the George Stigler Center for the Study of the Economy and the State 200,000

UNIVERSITY OF WISCONSIN-MILWAUKEE

Milwaukee, Wisconsin

To support the Bradley Distinguished Lecture Series and the Bradley Forum on Business Competitiveness 40,000

TOTAL PROMOTE ECONOMIC GROWTH AND PROSPERITY

816,500

Revitalize Civil Society

"The Foundation aims to encourage projects that focus on cultivating a renewed, healthier, and more vigorous sense of citizenship among the American people, and among peoples of other nations, as well."

The Bradley Foundation's "New Citizenship" grantmaking agenda seeks to further the interests of or directly assist community-based, voluntary, often grassroots and faith-based groups. The Foundation aims to reinvigorate and renew traditional, local institutions such as families, schools, churches, and neighborhoods for all of these provide opportunities for the exercise of genuine citizenship.

International

ARCHDIOCESE OF MARY, MOTHER OF GOD

Moscow, Russia

To support a conference 1,000

BOSTON UNIVERSITY

Boston, Massachusetts

To support program activities of the Institute on Culture, Religion and World Affairs 100,000

COMMITTEE FOR CULTURAL COLLABORATION

Rome, Italy

To support general program activities related to promoting contact between Eastern and Western Christians 50,000

FREEDOM HOUSE

Washington, DC

To support general program activities 250,000

To support the Center for Religious Freedom's study on Islamic literature 70,000

To support the program activities of the Transatlantic Democracy Network 112,500

GERMAN MARSHALL FUND OF THE UNITED STATES

Washington, DC

To support the Fund's work on the "frozen conflicts" and Black Sea region 250,000

HUDSON INSTITUTE

Washington, DC

To support the work of the Project on Religious Liberty 25,000

INTERNATIONAL DEVELOPMENT ENTERPRISES

Lakewood, Colorado

To support general operations 20,000

NATIONAL ENDOWMENT FOR DEMOCRACY

Washington, DC

To support the *Journal of Democracy* and a public lecture in honor of Seymour Martin Lipset 98,000

PONTIFICAL INSTITUTE OF ARABIC AND ISLAMIC STUDIES

Rome, Italy

To support the Bradley Lecture and the Institute's academic programming 20,000

PRO ORIENTE FOUNDATION

Wien, Austria

To support a conference titled "Christian Values in Europe" 100,000

PROJECT ON TRANSITIONAL DEMOCRACIES

Washington, DC

To support general program activities 50,000

To support the creation of a center studying religion and democracy 150,000

ROMANIAN CHRISTIAN ENTERPRISES*Middleburg, Virginia*

To support the Sonshine Schools 20,000

RUSSIAN ORTHODOX CHURCH*Wien, Austria*To support the website bulletin *Europaica* 15,000**SAT-7 NORTH AMERICA***Saugatuck, Michigan*

To support general operations 15,000

UKRAINIAN CATHOLIC EDUCATION FOUNDATION*Chicago, Illinois*

To support general program activities 70,000

URBI ET ORBI COMMUNICATIONS*New Hope, Kentucky*

To support general operations 75,000

WE REMEMBER FOUNDATION*Washington, DC*

To support a democracy building effort in Belarus 15,000

National**ACTON INSTITUTE FOR THE STUDY OF RELIGION AND LIBERTY***Grand Rapids, Michigan*

To support general operations 125,000

CALVIN COLLEGE*Grand Rapids, Michigan*

To support a research project on the Role of Religion in Fostering Civic Responsibility 100,000

CENTER OF THE AMERICAN EXPERIMENT*Minneapolis, Minnesota*

To support a conference on marriage and fatherhood 10,000

CHRISTAMORE HOUSE FAMILY & COMMUNITY CENTER*Indianapolis, Indiana*

To support general operations 1,000

HEROES ON HORSEBACK*Bluffton, South Carolina*

To support general operations 5,000

HOWARD CENTER FOR FAMILY, RELIGION & SOCIETY*Rockford, Illinois*

To support the World Congress of Families project 50,000

INSTITUTE FOR AMERICAN VALUES*New York, New York*

To support general operations 100,000

To support a journal on inter-religious dialogue 50,000

INSTITUTE FOR CONTEMPORARY STUDIES*Oakland, California*

To support general operations 50,000

INSTITUTE FOR MARRIAGE AND PUBLIC POLICY*Washington, DC*

To support general program activities 25,000

INTERCOLLEGIATE STUDIES INSTITUTE*Wilmington, Delaware*

To support its Civic Liberty Program 300,000

LIBERTY DAY U.S.A.*Centennial, Colorado*

To support general operations 2,500

MANHATTAN INSTITUTE FOR POLICY RESEARCH*New York, New York*

To support general operations 220,000

NATIONAL CENTER FOR NEIGHBORHOOD ENTERPRISE*Washington, DC*

To support general operations 500,000

2005 Grants Awarded

NATIONAL FATHERHOOD INITIATIVE

Gaithersburg, Maryland

To support general operations 115,000

PRINCE OF PEACE LUTHERAN CHURCH

Englewood, Florida

To support general operations 1,000

SAGAMORE INSTITUTE FOR POLICY RESEARCH

Indianapolis, Indiana

To support research and publication activities 100,000

SAINT NICHOLAS RUSSIAN ORTHODOX CATHEDRAL

New York, New York

To support an Easter program 1,000

SAND COUNTY FOUNDATION

Madison, Wisconsin

To support the Bradley Fund for the Environment 900,000

SIBLEY MEMORIAL HOSPITAL

Washington, DC

To support the Cancer Center 20,000

Local

ACTS COMMUNITY DEVELOPMENT CORPORATION

Milwaukee, Wisconsin

To support general operations 100,000

ASSET BUILDERS OF AMERICA

Madison, Wisconsin

To support general operations 10,000

BURLEIGH STREET COMMUNITY DEVELOPMENT CORPORATION

Milwaukee, Wisconsin

To support general operations 20,000

CARE NET PREGNANCY CENTER OF DANE COUNTY

Madison, Wisconsin

To support general program activities of The Elizabeth House 15,000

CENTER FOR TEACHING ENTREPRENEURSHIP

Milwaukee, Wisconsin

To support general operations 35,000

CHRISTIAN FAMILY GATHERING

Milwaukee, Wisconsin

To support general operations 5,000

COMMUNITY WAREHOUSE

Milwaukee, Wisconsin

To support general operations 15,000

D.W. WILDCATS YOUTH DEVELOPMENT ORGANIZATION

Milwaukee, Wisconsin

To support general program activities 5,000

DR. HOWARD L. FULLER EDUCATION FOUNDATION

Milwaukee, Wisconsin

To support general operations 40,000

ESPERANZA UNIDA

Milwaukee, Wisconsin

To support general operations 25,000

FAITH PARTNERSHIP NETWORK

Milwaukee, Wisconsin

To support general operations 20,000

FAMILY HOUSE

Milwaukee, Wisconsin

To support general operations 150,000

FIRST CONGREGATIONAL CHURCH OF ROCHESTER

Rochester, Wisconsin

To support general operations 1,000

GARFIELD AVENUE FESTIVALS*Milwaukee, Wisconsin*

To support the Garfield Avenue Blues, 5,000
Jazz, Gospel and Arts Festival

GILDA'S CLUB SOUTHEASTERN WISCONSIN*Milwaukee, Wisconsin*

To support general operations 500

GREATER MILWAUKEE FOUNDATION*Milwaukee, Wisconsin*

To support the Nonprofit Management 75,000
Fund of Milwaukee

GROWTH AND DEVELOPMENT MONTESSORI RESOURCE CENTER*Milwaukee, Wisconsin*

To support general operations 10,000

INTERCESSION*Milwaukee, Wisconsin*

To support general operations 25,000

LATINO COMMUNITY CENTER*Milwaukee, Wisconsin*

To support general operations 100,000

LIGHTHOUSE YOUTH CENTER*Milwaukee, Wisconsin*

To support general operations 25,000

LUTHERAN CHURCH OF THE REFORMATION*Milwaukee, Wisconsin*

To support a neighborhood outreach program 30,000

Continued support of a neighborhood 1,000
outreach program

METCALFE PARK RESIDENTS' ASSOCIATION*Milwaukee, Wisconsin*

To support general operations 15,000

MILWAUKEE COMMUNITY SERVICE CORPS*Milwaukee, Wisconsin*

To support program activities 10,000

MILWAUKEE PUBLIC SCHOOLS*Milwaukee, Wisconsin*

To support the Best Friends and Best Men 50,000
programs

MILWAUKEE RESCUE MISSION*Milwaukee, Wisconsin*

To support general operations 20,000

MILWAUKEE UNIVERSITY GRADUATE SCHOOL COOPERATIVE*Milwaukee, Wisconsin*

To support the Milwaukee Work-Based 25,000
Schools Initiative

MOUNT HOPE LUTHERAN CHURCH*West Allis, Wisconsin*

To support general operations 2,000

NEW BEGINNINGS ARE POSSIBLE*Milwaukee, Wisconsin*

To support general operations 25,000

NEW HORIZON CENTER*Milwaukee, Wisconsin*

To support general operations 10,000

NORTHWEST SIDE COMMUNITY DEVELOPMENT CORPORATION*Milwaukee, Wisconsin*

To support general operations 25,000

RESIDENTIAL LIVING SERVICES*Milwaukee, Wisconsin*

To support general operations 35,000

RISEN SAVIOR EV. LUTHERAN CHURCH*Milwaukee, Wisconsin*

To support outreach ministries 25,000

RUNNING REBELS COMMUNITY ORGANIZATION*Milwaukee, Wisconsin*

To support general operations 50,000

2005 Grants Awarded

SAINT CHARLES PARISH

Hartland, Wisconsin

To support general operations 1,000

SAINT FRANCIS SEMINARY

St. Francis, Wisconsin

To support general operations 2,000

SAINT JAMES EVANGELICAL LUTHERAN CHURCH

Verona, Wisconsin

To support general operations 500

SAINT JOHN'S CATHEDRAL

Milwaukee, Wisconsin

To support St. Vincent DePaul's meal voucher program 1,000

SALVATION ARMY WISCONSIN AND UPPER MICHIGAN DIVISION

Wauwatosa, Wisconsin

To support community outreach programs 15,000

To support general operations 500

SAMARITAN INN MINISTRIES

Milwaukee, Wisconsin

To support general operations of Hope Street 35,000

To support general operations of Oakton Manor 15,000

To support the evening meal program in conjunction with All Saints Catholic Church 1,000

SCHOOL SISTERS OF SAINT FRANCIS

Milwaukee, Wisconsin

To support Layton Boulevard West Neighbors program 30,000

SERENITY INNS

Milwaukee, Wisconsin

To support general operations 10,000

SOJOURNER TRUTH HOUSE

Milwaukee, Wisconsin

To support general operations 1,000

Continued support of general operations 500

TEEN CHALLENGE OF WISCONSIN

Milwaukee, Wisconsin

To support general operations 10,000

WALNUT WAY CONSERVATION

Milwaukee, Wisconsin

To support general operations 10,000

WISCONSIN CONSERVATIVE LEADERSHIP COALITION

Milwaukee, Wisconsin

To support general operations 500

WISCONSIN EVANGELICAL LUTHERAN SYNOD

Milwaukee, Wisconsin

To support the Model ESL and First Language Literacy Training Programs 10,000

WORD OF HOPE MINISTRIES

Milwaukee, Wisconsin

To support general operations 40,000

YOUTH DEVELOPMENT BOOT CAMP

Milwaukee, Wisconsin

To support general operations 15,000

ZION EVANGELICAL LUTHERAN CHURCH

Egg Harbor, Wisconsin

To support general operations 1,000

TOTAL REVITALIZE CIVIL SOCIETY 5,385,500

Strengthen Private Initiative

“The brothers had an abiding belief in the dignity and decency of each person. They felt that only in an environment of economic and political freedom could individuals develop their talents, hone their skills and intellect, and contribute to the improvement of the human condition.”

To commemorate the Bradley brothers’ deep belief in enabling all to better their lives, the Foundation makes grants which fight for the rights of all people to offer their labor and talents on their own individual terms. A special interest of Bradley’s philanthropy in this regard is seeking to help others develop their own philanthropy consistent with those of the two brothers it honors.

Employee Rights

ASSOCIATION OF AMERICAN EDUCATORS

Mission Viego, California

To support general operations	200,000
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EVERGREEN FREEDOM FOUNDATION

Olympia, Washington

To support the Teachers Paycheck Protection project	75,000
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HERITAGE FOUNDATION

Washington, DC

To support the Bradley Fellow in Labor Policy	100,000
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INDEPENDENCE INSTITUTE

Golden, Colorado

To support the Education Labor Project	75,000
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LANDMARK LEGAL FOUNDATION

Kansas City, Missouri

To support a public education project	50,000
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MACKINAC CENTER

Midland, Michigan

To support program activities of the Labor and Education Resource Center	100,000
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NATIONAL LEGAL AND POLICY CENTER

Falls Church, Virginia

To support the Organized Labor Accountability Project	40,000
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NATIONAL RIGHT TO WORK LEGAL DEFENSE FOUNDATION

Springfield, Virginia

To support general operations	100,000
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To support a litigation project	50,000
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PUBLIC SERVICE RESEARCH FOUNDATION

Vienna, Virginia

To support a survey on public attitudes toward labor unions	40,000
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Equal Opportunity

AMERICAN CIVIL RIGHTS INSTITUTE

Sacramento, California

To support a public education project on affirmative action in Michigan	450,000
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CENTER FOR EQUAL OPPORTUNITY

Sterling, Virginia

To support general operations and a research project on the admissions policy of the University of Wisconsin	125,000
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HARVARD UNIVERSITY

Cambridge, Massachusetts

To support the “Net Dialogue” project	30,000
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STANFORD UNIVERSITY

Stanford, California

To support the “Net Dialogue” project	70,000
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Individual Liberty & Equal Opportunity

CENTER FOR INDIVIDUAL RIGHTS

Washington, DC

To support general operations 100,000

Public Interest Law & Legal Reform

AMERICAN TORT REFORM FOUNDATION

Washington, DC

To support a public education project 500,000

ATLANTIC LEGAL FOUNDATION

New York, New York

To support general operations 10,000

AMERICAN COUNCIL ON SCIENCE AND HEALTH

New York, New York

To support general operations 50,000

COMMON GOOD

Washington, DC

To support general operations 60,000

FEDERALIST SOCIETY FOR LAW AND PUBLIC POLICY STUDIES

Washington, DC

To support general operations, the Sovereignty Project and a conference on the legacy of Chief Justice William Rhenquist 265,000

LANDMARK LEGAL FOUNDATION

Kansas City, Missouri

To support general operations 10,000

MANHATTAN INSTITUTE FOR POLICY RESEARCH

New York, New York

To support the "PointofLaw.com" web site 25,000

PACIFIC RESEARCH INSTITUTE FOR PUBLIC POLICY

San Francisco, California

To support legal-reform research and activities 50,000

WASHINGTON LEGAL FOUNDATION

Washington, DC

To support the Investor Protection Program 75,000

Philanthropy

CAPITAL RESEARCH CENTER

Washington, DC

To support general operations 85,000

HUDSON INSTITUTE

Washington, DC

To support the Bradley Center for Philanthropy and Civic Renewal 440,000

PHILANTHROPY ROUNDTABLE

Washington, DC

To support general operations 200,000

TOTAL STRENGTHEN PRIVATE INITIATIVE

3,375,000

Defend and Advance Freedom

“The Lynde and Harry Bradley Foundation is likewise devoted to strengthening American democratic capitalism and the institutions, principles and values that sustain and nurture it. Its programs support limited, competent government, and a vigorous defense at home and abroad of American ideas and institutions.”

The Foundation's grantmaking traditionally is directed to assisting projects and institutions contributing in an important way to the development and implementation of a defense and security policy that defends American interests at home and abroad. It seeks to encourage those who work vigorously to defend the tradition of free representative government.

National & Homeland Defense

ASSOCIATION OF GRADUATES OF THE UNITED STATES MILITARY ACADEMY

West Point, New York

To support the Distinguished Chair of International Security Studies and the Combating Terrorism Center 127,500

To support the Simon Center for the Professional Military Ethic and Visiting Scholar program 50,000

CENTER FOR IMMIGRATION STUDIES

Washington, DC

To support general operations 25,000

CENTER FOR SECURITY POLICY

Washington, DC

To support general operations and the Family Security Matters initiative 100,000

CENTER FOR STRATEGIC AND BUDGETARY ASSESSMENTS

Washington, DC

To support program activities 100,000

HOOVER INSTITUTION ON WAR, REVOLUTION AND PEACE

Stanford, California

To support the National Priorities, International Rivalries, and Global Cooperation program 50,000

INSTITUTE FOR INTERNATIONAL STUDIES

Washington, DC

To support the Culture of Lawfulness education program 200,000

JOHNS HOPKINS UNIVERSITY

SCHOOL OF ADVANCED INTERNATIONAL STUDIES

Washington, DC

To support the work of Dr. Fouad Ajami 50,000

To support the Strategic Studies Program 100,000

MIDDLE EAST FORUM

Philadelphia, Pennsylvania

To support *Campus Watch* 40,000

NATIONAL DEFENSE COUNCIL FOUNDATION

Alexandria, Virginia

To support general operations 25,000

NATIONAL STRATEGY INFORMATION CENTER

Washington, DC

To support general operations and the Special Project to Enhance U.S. Intelligence 400,000

THE NIXON CENTER

Washington, DC

To support the Citizenship and Homeland Security program 60,000

SPECIAL OPERATIONS WARRIOR FOUNDATION

Tampa, Florida

To support general operations 5,000

2005 Grants Awarded

Foreign Policy

ABDORRAHMAN BORRAHMAN FOUNDATION

Washington, DC

To support the Iran Human Rights Memorial Project 50,000

AMERICAN COMMITTEES ON FOREIGN RELATIONS

Washington, DC

To support the national speakers program 40,000

AMERICAN ENTERPRISE INSTITUTE FOR PUBLIC POLICY RESEARCH

Washington, DC

To support Foreign and Defense Policy Studies, public polling research, and the Bradley Lectures 400,000

AMERICAN FOREIGN POLICY COUNCIL

Washington, DC

To support general operations and a public diplomacy program to improve US-India relations 110,000

AMERICAN ISLAMIC CONGRESS

Cambridge, Massachusetts

To support the "Student Activists: Grass Roots Campaign" project 40,000

FOREIGN POLICY RESEARCH INSTITUTE

Philadelphia, Pennsylvania

To support general operations and the Center for the Study of America and the West 40,000

INSTITUTE FOR FOREIGN POLICY ANALYSIS

Cambridge, Massachusetts

To support general operations of the Washington, DC office 75,000

To support the Strengthening Forces for Democratization in the Greater Middle East and Central Asian Regions public diplomacy program 39,900

INSTITUTE OF WORLD POLITICS

Washington, DC

To support general operations 50,000

JAMESTOWN FOUNDATION

Washington, DC

To support the publications program 20,000

JOHNS HOPKINS UNIVERSITY

SCHOOL OF ADVANCED INTERNATIONAL STUDIES

Washington, DC

To support the work of the Central Asia-Caucasus Institute 90,000

To support a liberal arts academic program in Georgia 30,000

NATIONAL BUREAU OF ASIAN RESEARCH

Seattle, Washington

To support the Strategic Asia Program 100,000

To support the Kenneth B. and Anne H.H. Pyle Center for Northeast Asian Studies 100,000

NATIONAL STRATEGY INFORMATION CENTER

Washington, DC

To support a Middle East media project 250,000

NEW CITIZENSHIP PROJECT

Washington, DC

To support the Project for the New American Century 100,166

TOTAL DEFEND AND ADVANCE FREEDOM

2,867,566

Intellectual Infrastructure

“They believed that, over time, the consequences of ideas were more decisive than the force of political or economic movements.”

The Bradley Foundation works to strengthen institutions and individuals which contribute to the nurturing of those ideas that form the cornerstone of our intellectual, cultural, and economic way of life. In this project the Foundation typically helps programs and scholars in higher education, “think tanks,” journals, magazines, books, and other undertakings that enlighten and inform public opinion.

Bradley Fellows

The following grants were awarded to support the Bradley Graduate and Post Graduate Fellowship Program

BOSTON COLLEGE

Chestnut Hill, Massachusetts 75,000

BOSTON UNIVERSITY

Boston, Massachusetts 25,000

BOWLING GREEN STATE UNIVERSITY

Bowling Green, Ohio 25,000

CATHOLIC UNIVERSITY OF AMERICA

Washington, DC 50,000

CLAREMONT MCKENNA COLLEGE

Claremont, California 25,000

COLUMBIA UNIVERSITY

New York, New York 50,000

DUKE UNIVERSITY

Durham, North Carolina 25,000

GEORGE MASON UNIVERSITY

Arlington, Virginia 50,000

GEORGETOWN UNIVERSITY

Washington, DC 50,000

HARVARD UNIVERSITY

Cambridge, Massachusetts 125,000

JOHNS HOPKINS UNIVERSITY

SCHOOL OF ADVANCED INTERNATIONAL STUDIES
Washington, DC 75,000

KENYON COLLEGE

Gambier, Ohio 25,000

MICHIGAN STATE UNIVERSITY

East Lansing, Michigan 25,000

NEW YORK UNIVERSITY

New York, New York 45,000

PRINCETON UNIVERSITY

Princeton, New Jersey 50,000

STANFORD UNIVERSITY

Stanford, California 50,000

TEXAS A&M UNIVERSITY

College Station, Texas 25,000

TUFTS UNIVERSITY

Medford, Massachusetts 50,000

UNIVERSITY OF CALIFORNIA, BERKELEY

Berkeley, California 25,000

UNIVERSITY OF CALIFORNIA, LOS ANGELES

Los Angeles, California 50,000

UNIVERSITY OF CHICAGO

Chicago, Illinois 100,000

2005 Grants Awarded

UNIVERSITY OF MARYLAND AT COLLEGE PARK
College Park, Maryland 25,000

UNIVERSITY OF NOTRE DAME
Notre Dame, Indiana 25,000

UNIVERSITY OF PENNSYLVANIA
Philadelphia, Pennsylvania 125,000

UNIVERSITY OF TEXAS, AUSTIN
Austin, Texas 25,000

UNIVERSITY OF VIRGINIA
Charlottesville, Virginia 100,000

UNIVERSITY OF WISCONSIN, MADISON
Madison, Wisconsin 50,000

WASHINGTON UNIVERSITY
St. Louis, Missouri 25,000

Bradley Prizes

BRADLEY PRIZES INITIATIVE
To support the 2005 Bradley Prizes Initiative 1,000,000

Encounter Books

ENCOUNTER FOR CULTURE AND EDUCATION
Milwaukee, Wisconsin
To support general operations 1,175,000

Continue support of general operations 115,000

Think Tanks

AMERICAN CONSERVATIVE UNION FOUNDATION
Alexandria, Virginia
To support the 2005 CPAC Conference 35,000

CATO INSTITUTE
Washington, DC
To support program activities in the areas of education, civil society, and economics 25,000

CENTER FOR THE STUDY OF POPULAR CULTURE
Los Angeles, California
To support general operations 325,000

CLAREMONT INSTITUTE FOR THE STUDY OF STATESMANSHIP AND POLITICAL PHILOSOPHY
Claremont, California
To support *The Claremont Review of Books* 60,000

ETHICS AND PUBLIC POLICY CENTER
Washington, DC
To support general operations 100,000

FREE CONGRESS RESEARCH AND EDUCATION FOUNDATION
Washington, DC
To support the Center for Law and Democracy and the Center for a Balanced Future 100,000

Continued support of the Center for Law and Democracy and the Center for a Balanced Future 50,000

GEORGE C. MARSHALL INSTITUTE
Washington, DC
To support general operations 105,000

HERITAGE FOUNDATION
Washington, DC
To support general operations and a Bradley Visiting Fellow 235,000

HUDSON INSTITUTE
Washington, DC
To support the Center on Islam, Democracy and the Future of the Muslim World 200,000

INDEPENDENT WOMEN'S FORUM*Washington, DC*

To support general operations 25,000

INSTITUTE ON RELIGION AND DEMOCRACY*Washington, DC*

To support general operations 75,000

LEADERSHIP INSTITUTE*Arlington, Virginia*

To support training programs in Wisconsin 35,000

To support general operations 25,000

PHILADELPHIA SOCIETY*Jerome, Michigan*

To support general operations and a regional meeting in Milwaukee 20,000

WISCONSIN POLICY RESEARCH INSTITUTE*Thiensville, Wisconsin*

To support general operations 400,000

WOMEN'S FREEDOM NETWORK*Washington, DC*

To support general operations 15,000

Media**AMERICAN ALTERNATIVE FOUNDATION***Arlington, Virginia*To support *The American Spectator* magazine 65,000**AMERICAN CINEMA FOUNDATION***Los Angeles, California*

To support general operations 65,000

AMERICAN JEWISH COMMITTEE*New York, New York*To support *Commentary* magazine 75,000**AMERICAN STUDIES CENTER***Washington, DC*To support Radio America's *Dateline Washington* and *What's the Story?* 30,000**COLLEGIATE NETWORK***Wilmington, Delaware*

To support general operations 100,000

FOUNDATION FOR CULTURAL REVIEW*New York, New York*To support *The New Criterion* magazine 20,000Continued support of *The New Criterion* magazine 200,000**INSTITUTE ON RELIGION AND PUBLIC LIFE***New York, New York*To support *First Things* magazine 225,000**MEDIA RESEARCH CENTER***Alexandria, Virginia*

To support general operations 25,000

MORLEY PUBLISHING GROUP*Washington, DC*

To support general operations 60,000

NEW RIVER EDUCATION FUND*Washington, DC*To support *Think Tank* with Ben Wattenberg 40,000**PHILLIPS FOUNDATION***Washington, DC*

To support the Journalism Fellowship Program 50,000

Higher Education**AMERICAN COUNCIL OF TRUSTEES AND ALUMNI***Washington, DC*

To support general operations 70,000

ASSOCIATION OF LITERARY SCHOLARS AND CRITICS*Boston, Massachusetts*

To support general operations 20,000

2005 Grants Awarded

BOSTON COLLEGE

Chestnut Hill, Massachusetts

To support the Institute for the Study of Religion and Politics 40,000

To support the Institute of Medieval Philosophy and Theology 10,000

BOSTON UNIVERSITY

Boston, Massachusetts

To support the Why History Matters program 25,000

FOUNDATION FOR INDIVIDUAL RIGHTS IN EDUCATION

Philadelphia, Pennsylvania

To support general operations 75,000

FUND FOR AMERICAN STUDIES

Washington, DC

To support the Institute on Political Journalism and the Institute on Philanthropy and Voluntary Service 60,000

GEORGE MASON UNIVERSITY

Arlington, Virginia

To support judicial education programs 35,000

HARVARD UNIVERSITY

Cambridge, Massachusetts

To support the Program on Constitutional Government 45,000

THE HISTORICAL SOCIETY

Boston, Massachusetts

To support general operations 20,000

INSTITUTE FOR RESPONSIBLE CITIZENSHIP

Washington, DC

To support the Bradley Course on Constitution Principles 40,000

INTERCOLLEGIATE STUDIES INSTITUTE

Wilmington, Delaware

To support general operations 80,000

IOWA LAW SCHOOL FOUNDATION

Iowa City, Iowa

To support summer internships for members of the University of Iowa Law School Federalist Society for Law and Public Policy Studies 5,000

KING'S COLLEGE

New York, New York

To support general operations 2,500

MICHIGAN STATE UNIVERSITY

East Lansing, Michigan

To support the Symposium on Science, Reason, and Modern Democracy 30,000

NATIONAL ASSOCIATION OF SCHOLARS

Princeton, New Jersey

To support general operations 75,000

PRINCETON UNIVERSITY

Princeton, New Jersey

JAMES MADISON CENTER
To support the James Madison Center in American Ideals and Institutions 75,000

UNIVERSITY OF CHICAGO

Chicago, Illinois

To support the Program in Law and Economics 40,000

UNIVERSITY OF WISCONSIN, MADISON

Madison, Wisconsin

To support the *Documentation of the Ratification of the Constitution and the Bill of Rights, 1787-1791* 35,000

TOTAL INTELLECTUAL INFRASTRUCTURE

7,252,500

Bradley Legacy

"The Foundation will continue the Bradleys' interest in helping to improve the quality of life in the Milwaukee metropolitan area."

The grants awarded here follow through on the Foundation's core mission of preserving Bradley's philanthropic legacy in Milwaukee and Wisconsin. Its support is directed to assisting the work of the significant educational, social, and cultural institutions contributing to strengthening the city and state's civic fabric in ways extending Lynde and Harry's principles and philosophy.

Arts & Culture

AMERICA'S FREEDOM CENTER FOUNDATION

Milwaukee, Wisconsin

To support a feasibility study 30,000

BEL CANTO CHORUS OF MILWAUKEE

Milwaukee, Wisconsin

To support general operations 25,000

CAPTAIN FREDERICK PABST MANSION

Milwaukee, Wisconsin

To support general operations 10,000

FIRST STAGE MILWAUKEE

Milwaukee, Wisconsin

To support general operations 25,000

FLORENTINE OPERA COMPANY

Milwaukee, Wisconsin

To support general operations 95,000

FRIENDS OF BOERNER BOTANICAL GARDENS IN MILWAUKEE COUNTY'S WHITNALL PARK

Hales Corners, Wisconsin

To support general operations 10,000

KO-THI

Milwaukee, Wisconsin

To support general operations 15,000

MILWAUKEE ART MUSEUM

Milwaukee, Wisconsin

To support general operations 100,000

To support a capital campaign 500,000

MILWAUKEE BALLET COMPANY

Milwaukee, Wisconsin

To support general operations 95,000

MILWAUKEE CHAMBER THEATRE

Milwaukee, Wisconsin

To support general operations 15,000

Continued support of general operations 1,500

MILWAUKEE COUNTY HISTORICAL SOCIETY

Milwaukee, Wisconsin

To support reprinting of the book 35,000

The Making of Milwaukee

MILWAUKEE PUBLIC LIBRARY FOUNDATION

Milwaukee, Wisconsin

To support general operations 50,000

MILWAUKEE PUBLIC MUSEUM

Milwaukee, Wisconsin

To support the *Saint Peter and the Vatican: The Legacy of the Popes* exhibition 500,000

The Legacy of the Popes exhibition

To support general operations 300,000

2005 Grants Awarded

MILWAUKEE REPERTORY THEATER

Milwaukee, Wisconsin

To support general operations 115,000

MILWAUKEE SYMPHONY ORCHESTRA

Milwaukee, Wisconsin

To support general operations 255,000

MILWAUKEE YOUTH SYMPHONY ORCHESTRA

Milwaukee, Wisconsin

To support general operations 20,000

NEXT ACT THEATRE

Milwaukee, Wisconsin

To support general operations 10,000

SKYLIGHT OPERA THEATRE

Milwaukee, Wisconsin

To support general operations 55,000

TEN CHIMNEYS FOUNDATION

Genesee Depot, Wisconsin

To support general operations 5,000

UNIVERSITY OF WISCONSIN, MILWAUKEE

Milwaukee, Wisconsin

To support the educational activities of the Leonard Sorkin International Institute of Chamber Music 30,000

ZOOLOGICAL SOCIETY OF MILWAUKEE COUNTY

Milwaukee, Wisconsin

To support general operations 60,000

Education

BREWERS CHARITIES

Milwaukee, Wisconsin

To support the 2005 Student Achievers Program 150,000

CONCORDIA UNIVERSITY WISCONSIN

Mequon, Wisconsin

To support the Core Learning Team Initiative 75,000

CONGREGATION ANSHE SFARD KEHILLOT TORAH

Milwaukee, Wisconsin

To support general operations 1,450

DIVINE SAVIOR HOLY ANGELS HIGH SCHOOL

Milwaukee, Wisconsin

To support student scholarships 10,000

HOLYLAND CLUSTER PARISHES

Mt. Calvary, Wisconsin

To support general operations 5,000

MARQUETTE UNIVERSITY

Milwaukee, Wisconsin

To support the program activities of the Institute for the Transformation of Learning 225,000

To support the Raynor Distinguished Scholars Fund 62,500

MARQUETTE UNIVERSITY HIGH SCHOOL FOUNDATION

Milwaukee, Wisconsin

To support student scholarships 10,000

MESSMER CATHOLIC SCHOOLS

Milwaukee, Wisconsin

To support general operations 215,000

MILWAUKEE INSTITUTE OF ART AND DESIGN

Milwaukee, Wisconsin

To support the establishment of a media animation program 100,000

MILWAUKEE JEWISH FEDERATION

Milwaukee, Wisconsin

To support the Holocaust Education and Resource Center of the Coalition for Jewish Learning 550

MOUNT MARY COLLEGE

Milwaukee, Wisconsin

To support the Midtown Campus Program scholarship fund 10,000

NATIVITY JESUIT MIDDLE SCHOOL*Milwaukee, Wisconsin*

To support scholarships 10,000

PIUS XI HIGH SCHOOL*Milwaukee, Wisconsin*

To support student scholarships 10,000

To support general operations 4,000

SAINT CATHERINE SCHOOL*Milwaukee, Wisconsin*

To support student scholarships 2,000

SAINT CHARLES PARISH*Hartland, Wisconsin*

To support an education program 1,000

SAINT JOAN ANTIDA HIGH SCHOOL*Milwaukee, Wisconsin*

To support an education initiative 100,000

To support a faculty development program 50,000

SAINT MATTHIAS PARISH*Milwaukee, Wisconsin*

To support general operations 1,000

SCHOOL CHOICE WISCONSIN*Milwaukee, Wisconsin*

To support general operations 200,000

SKI FOR LIGHT*Minneapolis, Minnesota*

To support general operations 500

THOMAS MORE HIGH SCHOOL*Milwaukee, Wisconsin*

To support student scholarships 20,000

UNITED COMMUNITY CENTER*Milwaukee, Wisconsin*

To support a scholarship program 40,000

URBAN ECOLOGY CENTER*Milwaukee, Wisconsin*

To support the High School Outdoor Leadership Project 20,000

UWM FOUNDATION*Milwaukee, Wisconsin*

To support the Jerry Leer Accounting Fund 500

WISCONSIN CONSERVATORY OF MUSIC*Milwaukee, Wisconsin*

To support a scholarship program 40,000

WISCONSIN COUNCIL ON ECONOMIC EDUCATION*Milwaukee, Wisconsin*

To support the Youth Enterprise Academy 15,000

YESHIVA ELEMENTARY SCHOOL*Milwaukee, Wisconsin*

To support general operations 25,000

*Social Services***ARCHDIOCESE OF MILWAUKEE***Milwaukee, Wisconsin*

To support the Pallium Lecture Series 20,000

BECKUM-STAPLETON LITTLE LEAGUE*Milwaukee, Wisconsin*

To support general operations 1,000

BOYS AND GIRLS CLUBS OF GREATER MILWAUKEE*Milwaukee, Wisconsin*

To support general operations 40,000

CHILD ABUSE PREVENTION FUND*Milwaukee, Wisconsin*

To support general operations 1,000

COA YOUTH AND FAMILY CENTERS*Milwaukee, Wisconsin*

To support the summer camping program 15,000

2005 Grants Awarded

CORPCARE DISTRIBUTIONS

Milwaukee, Wisconsin

To support general operations 25,000

DONORS FORUM OF WISCONSIN

Milwaukee, Wisconsin

To support the Wisconsin Giving Initiative 15,000

THE DWELLING PLACE

South Milwaukee, Wisconsin

To support scholarships 10,000

HOUSE OF PEACE

Milwaukee, Wisconsin

To support general operations 20,000

LA CAUSA

Milwaukee, Wisconsin

To support the 24-hour Crisis Nursery and Respite Center 1,000

MAKE-A-WISH FOUNDATION OF WISCONSIN

Butler, Wisconsin

To support general operations 1,000

Continued support of general operations 500

MILWAUKEE COUNTY COUNCIL BOY SCOUTS OF AMERICA

Milwaukee, Wisconsin

To support general operations 25,000

PARENTING NETWORK

Milwaukee, Wisconsin

To support general operations 1,000

PENFIELD CHILDREN'S CENTER

Milwaukee, Wisconsin

To support general operations 40,000

SAINT FRANCIS CHILDREN'S CENTER

Milwaukee, Wisconsin

To support general operations 30,000

SOJOURNER TRUTH HOUSE

Milwaukee, Wisconsin

To support general operations 500

WISCONSIN HUMANE SOCIETY

Milwaukee, Wisconsin

To support general operations 1,000

Capital

CHRIST-SAINT PETER LUTHERAN SCHOOL

Milwaukee, Wisconsin

To support a capital campaign 40,000

GARDEN HOMES EVANGELICAL LUTHERAN CHURCH

Milwaukee, Wisconsin

To support a capital campaign 150,000

MARQUETTE UNIVERSITY

Milwaukee, Wisconsin

To support the establishment of a center for neurological research and diagnosis 100,000

MILWAUKEE ART MUSEUM

Milwaukee, Wisconsin

To support the capital campaign 2,000,000

MILWAUKEE ARTS PARTNERS

Milwaukee, Wisconsin

To support implementation of the Tessitura software application 35,000

SAINT JOSAPHAT BASILICA FOUNDATION

New Berlin, Wisconsin

To support a restoration project 100,000

SAINT MATTHIAS PARISH

Milwaukee, Wisconsin

To support a capital project 1,000

SOLDIERS HOME FOUNDATION

Milwaukee, Wisconsin

To support a renovation and restoration project 85,000

TURNER BALLROOM PRESERVATION TRUST*Milwaukee, Wisconsin*

To support a restoration project 200,000

URBAN DAY SCHOOL*Milwaukee, Wisconsin*

To support a renovation project 75,000

WISCONSIN INSTITUTE FOR TORAH STUDY*Milwaukee, Wisconsin*

To support a renovation project 27,500

ZOOLOGICAL SOCIETY OF MILWAUKEE COUNTY*Milwaukee, Wisconsin*

To support a capital campaign 120,000

*Other***LOCAL INITIATIVES SUPPORT CORPORATION***Milwaukee, Wisconsin*To support general operations and
the Main Street Milwaukee Program 50,000**MENOMONEE VALLEY PARTNERS***Milwaukee, Wisconsin*

To support general operations 25,000

MILWAUKEE DEVELOPMENT CORPORATION*Milwaukee, Wisconsin*To support a regional economic
development initiative 100,000**WISCONSIN WOMEN'S BUSINESS INITIATIVE
CORPORATION***Milwaukee, Wisconsin*

To support general operations 25,000

TOTAL BRADLEY LEGACY 7,140,500**GRAND TOTAL 31,133,426**

Donor Intent Program

During 2002, the Foundation established its Donor Intent Program, which provides donors with an opportunity to align their charitable interests with the Foundation. The grants listed below were recommended and made from contributions provided by Michael L. and Rosalind C. Keiser

ACADEMY FOR URBAN SCHOOL LEADERSHIP

Chicago, Illinois

To support general operations 50,000

ACTON INSTITUTE FOR THE STUDY OF RELIGION AND LIBERTY

Grand Rapids, Michigan

To support general operations 5,000

AMERICAN ALTERNATIVE FOUNDATION

Arlington, Virginia

To support publication of *The American Spectator* 10,000

AMERICAN ENTERPRISE INSTITUTE FOR PUBLIC POLICY RESEARCH

Washington, DC

To support general operations 100,000

AMERICARES FOUNDATION

Stamford, Connecticut

To support general operations 50,000

AMERICA'S SECOND HARVEST

Chicago, Illinois

To support general operations 5,000

ATLAS ECONOMIC RESEARCH FOUNDATION

Arlington, Virginia

To support general operations 20,000

BIG SHOULDERS FUND

Chicago, Illinois

To support general operations 5,000

BILL OF RIGHTS INSTITUTE

Arlington, Virginia

To support general operations 150,000

CAPITAL RESEARCH CENTER

Washington, DC

To support general operations 20,000

CARDINAL NEWMAN SOCIETY FOR THE PRESERVATION OF CATHOLIC HIGHER EDUCATION

Manassas, Virginia

To support general operations 10,000

CARE USA

Chicago, Illinois

To support general operations 50,000

CASCADE POLICY INSTITUTE

Portland, Oregon

To support general operations 5,000

CATO INSTITUTE

Washington, DC

To support general operations 100,000

CENTER FOR THE STUDY OF POPULAR CULTURE

Los Angeles, California

To support general operations 25,000

To support a challenge grant

25,000

CHICAGO HISTORICAL SOCIETY

Chicago, Illinois

To support general operations 5,000

CHILDREN'S MEMORIAL HOSPITAL OF CHICAGO

Chicago, Illinois

To support the capital campaign 50,000

CITIZENS AGAINST GOVERNMENT WASTE*Washington, DC*

To support general operations 10,000

CLARE BOOTHE LUCE POLICY INSTITUTE*Herndon, Virginia*

To support general operations 50,000

COMPETITIVE ENTERPRISE INSTITUTE*Washington, DC*

To support general operations 100,000

DANIEL MURPHY SCHOLARSHIP FOUNDATION*Chicago, Illinois*

To support general operations 50,000

DEPAUL UNIVERSITY*Chicago, Illinois*

To support the Scholarship Fund 10,000

DOCTORS WITHOUT BORDERS*New York, New York*

To support general operations 25,000

EAGLE FORUM EDUCATION & LEGAL DEFENSE FUND*Alton, Illinois*

To support general operations 10,000

EARLHAM COLLEGE*Richmond, Indiana*

To support the capital campaign 20,000

FIELD MUSEUM OF NATURAL HISTORY*Chicago, Illinois*

To support general operations 25,000

FOUNDATION FOR INDIVIDUAL RIGHTS IN EDUCATION*Philadelphia, Pennsylvania*

To support general operations 10,000

FOUNDATION FOR RESEARCH ON ECONOMICS AND THE ENVIRONMENT*Bozeman, Montana*

To support general operations 5,000

FOURTH PRESBYTERIAN CHURCH*Chicago, Illinois*

To support the capital campaign 10,000

FREEDOM WORKS FOUNDATION*Washington, DC*

To support general operations 25,000

FUND FOR AMERICAN STUDIES*Washington, DC*

To support general operations 10,000

GEORGE MASON UNIVERSITY*Arlington, Virginia*

To support the Mercatus Center 10,000

GIRL SCOUTS OF CHICAGO*Chicago, Illinois*

To support the capital campaign 15,000

GREATER CHICAGO FOOD DEPOSITORY*Chicago, Illinois*

To support the capital campaign 100,000

HEARTLAND ALLIANCE FOR HUMAN NEEDS & HUMAN RIGHTS*Chicago, Illinois*

To support general operations 25,000

HEARTLAND INSTITUTE*Chicago, Illinois*

To support general operations 75,000

HERITAGE FOUNDATION*Washington, DC*

To support general operations 100,000

2005 Grants Awarded

HIGH JUMP

Chicago, Illinois

To support general operations 10,000

HOOVER INSTITUTION ON WAR, REVOLUTION AND PEACE

Stanford, California

To support general operations 5,000

HOWARD CENTER FOR FAMILY, RELIGION & SOCIETY

Rockford, Illinois

To support general operations 25,000

INSTITUTE FOR HUMANE STUDIES

Arlington, Virginia

To support general operations 15,000

INSTITUTE FOR JUSTICE

Washington, DC

To support general operations 50,000

INTERCOLLEGIATE STUDIES INSTITUTE

Wilmington, Delaware

To support general operations 10,000

INTERNATIONAL DEVELOPMENT ENTERPRISES

Lakewood, Colorado

To support general operations 75,000

INTERNATIONAL JUSTICE MISSION

Washington, DC

To support general operations 10,000

LANDMARK LEGAL FOUNDATION

Kansas City, Missouri

To support general operations 10,000

LEADERSHIP INSTITUTE

Arlington, Virginia

To support general operations 50,000

LUDWIG VON MISES INSTITUTE OF AUSTRIAN ECONOMICS

Auburn, Alabama

To support general operations 2,500

MANHATTAN INSTITUTE FOR POLICY RESEARCH

New York, New York

To support general operations 75,000

MEDIA RESEARCH CENTER

Alexandria, Virginia

To support the capital campaign 250,000

MENOMONEE CLUB

Chicago, Illinois

To support the capital campaign 5,000

MERCY SHIPS

Garden Valley, Texas

To support general operations 100,000

MILLENNIUM PARK

Chicago, Illinois

To support the capital campaign 200,000

MILTON & ROSE D. FRIEDMAN FOUNDATION

Indianapolis, Indiana

To support general operations 10,000

MOUNT VERNON LADIES ASSOCIATION

Mount Vernon, Virginia

To support the capital campaign 50,000

NATIONAL CENTER FOR POLICY ANALYSIS

Dallas, Texas

To support general operations 10,000

NATIONAL LEGAL AND POLICY CENTER

Falls Church, Virginia

To support general operations 5,000

NATIONAL TAXPAYERS UNION FOUNDATION*Alexandria, Virginia*

To support general operations 5,000

NICHOLS SCHOOL OF BUFFALO*Buffalo, New York*

To support the scholarship fund 100,000

PALMER R. CHITESTER FUND*Erie, Pennsylvania*

To complete funding for the Friedman Biography 15,000

PARENTS TELEVISION COUNCIL*Los Angeles, California*

To support general operations 10,000

PERSPECTIVES CHARTER SCHOOL*Chicago, Illinois*

To support the capital campaign 60,000

PHILANTHROPY ROUNDTABLE*Washington, DC*

To support general operations 25,000

PRISON FELLOWSHIP MINISTRIES*Washington, DC*

To support general operations 10,000

PROVIDENCE-ST. MEL*Chicago, Illinois*

To support the tuition aid program 100,000

REASON FOUNDATION*Los Angeles, California*

To support general operations 5,000

REHABILITATION INSTITUTE OF CHICAGO*Chicago, Illinois*

To support a capital campaign 250,000

SALVATION ARMY*Chicago, Illinois*

To support the architectural competition 100,000

To support general operations 100,000

SAND COUNTY FOUNDATION*Madison, Wisconsin*

To support general operations 2,500

SOUTHEASTERN LEGAL FOUNDATION*Atlanta, Georgia*

To support general operations 1,000

U.S. ENGLISH FOUNDATION*Washington, DC*

To support general operations 1,000

UNITED WAY IN CHICAGO*Chicago, Illinois*

To support general operations 10,000

UNIVERSITY OF CHICAGO*Chicago, Illinois*

To support the new Rosen Intern Program 135,000

WASHINGTON LEGAL FOUNDATION*Washington, DC*

To support general operations 10,000

WTTW 11*Chicago, Illinois*

To support the capital campaign 20,000

YOUNG AMERICA'S FOUNDATION*Herndon, Virginia*

To support general operations 10,000

GRAND TOTAL**3,307,000**

2005 Bradley Prize Recipients Celebrated at Kennedy Center Ceremony

Milwaukee's Lynde and Harry Bradley Foundation awarded its 2005 Bradley Prizes to American Civil Rights Institute founder Ward Connerly, Princeton University professor Robert P. George, Manhattan Institute scholar Heather Mac Donald, and columnist George F. Will in an inspiring and entertaining ceremony at The John F. Kennedy Center for the Performing Arts in Washington, D.C., on February 16. The \$250,000 prizes recognize and celebrate the honorees' achievements in areas consistent with the Foundation's mission - the promotion and defense of liberal democracy, democratic capitalism, and American ideas and institutions at home and abroad.

Connerly is a leading advocate of equal opportunity in government hiring and public college and university admissions. "Conservatives desperately need an event to socially celebrate their accomplishments and to remind each other how their various campaigns interrelate," Connerly said later. "The Bradley Prize achieves this purpose in a spectacular fashion."

George is the McCormick Professor of Jurisprudence at Princeton, where he also directs the academically pathbreaking James Madison Program in American Ideals and Institutions. He serves on the President's Council on Bioethics, as well. He touchingly referenced his immigrant family forebears' history in America, including their reliance upon its timeless principles.



Mac Donald is the John M. Olin Fellow at the Manhattan Institute and a prolific contributor to its *City Journal* magazine. She has written on homeland security, immigration, homelessness, and education. In her acceptance remarks, as in her articles, she lamented the "destruction wrought by liberal paternalism" and expressed relief that "the supporters of common sense and personal responsibility now hold the reins in Washington."

Will has been a respected public intellectual for three decades. He is also an ABC News analyst and *Newsweek* magazine contributor. He won a Pulitzer Prize for distinguished commentary in 1977. "It's even better," Will declared upon accepting it, "to receive the Bradley Prize."

The evening's master of ceremonies was Fred Barnes of *The Weekly Standard* magazine and FOX News. Former New York police officer and talented tenor Daniel Rodriguez and Broadway star Jennifer Holliday provided patriotic musical interludes. The Bradley Prizes were presented to each recipient by Michael W. Grebe,



President and CEO of the Foundation. About 500 people enjoyed the festivities, which concluded with a gala reception.

Prize nominations were solicited from a national panel of more than 100 prominent individuals in academia, public-policy research, journalism, civic affairs, and the arts

who were asked to submit names of eligible recipients. All nominations were evaluated by a selection committee, which made recommendations to the Foundation's Board of Directors.



On the same day as the Bradley Prizes ceremony, the Bradley Center for Philanthropy and Civic Renewal at the Hudson Institute in Washington, D.C., held a symposium on "Vision and Philanthropy" at The Ritz-Carlton hotel.

At the symposium, a group of 20 nationally prominent conservative intellectuals, commentators, activists, and philanthropists explored what the conservative vision for America is today and how philanthropy can best promote it. About 150 people, most of them also prominent thinkers and writers themselves, attended.





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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Lynde and Harry Bradley Foundation, Inc.:

We have audited the accompanying statements of financial position of The Lynde and Harry Bradley Foundation, Inc. (the "Foundation") as of December 31, 2005 and 2004, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2005 and 2004, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

February 10, 2006

Member of
Deloitte Touche Tohmatsu

Statements of Financial Position

(000's omitted)

December 31, 2005 and 2004

Assets	2005	2004
Cash and cash equivalents	\$ 36,696	14,118
Accrued investment income receivable	815	803
Due from brokers for securities sold	982	135
Collateral held for securities loaned	49,818	52,687
Prepaid expenses and other assets		328
Investments, at fair value (cost of \$542,258 and \$512,580 at December 31, 2005 and 2004, respectively):		
Fixed income mutual funds	17,728	16,318
U.S. government and agency obligations	22,838	21,490
Corporate bonds	21,501	21,178
Mortgage-backed securities	4,366	4,421
Other asset-backed securities	3,834	4,144
Common and preferred stocks	309,630	344,161
Alternative Investments	282,922	220,988
Other	387	984
Total investments	663,206	633,684
Land, buildings, furniture, and fixtures, net	4,377	4,411
Total assets	\$ 755,894	706,166
Liabilities and Net Assets		
Liabilities:		
Accrued expenses	\$ 1,715	1,597
Grants payable	9,864	7,163
Due to brokers for securities purchased	1,802	1,752
Payable under securities loan agreements	49,818	52,687
Notes payable	328	507
Long term grants payable	7,809	
Total liabilities	71,336	63,706
Unrestricted net assets	684,558	642,460
Total liabilities and net assets	\$ 755,894	706,166

See notes to financial statements.

Statements of Activities

(000's omitted)

Years ended December 31, 2005 and 2004	2005	2004
Unrestricted revenues and gains:		
Investment activity:		
Interest and dividend income	\$ 14,208	12,815
Realized gain on investments	84,473	79,263
Unrealized gain on investments	123	16,898
Less investment expenses	(8,533)	(7,844)
Total investment activity	90,271	101,132
Donor Intent Contributions	3,307	2,553
Total unrestricted revenues and gains	93,578	103,685
Grants and expenses:		
Grants approved for charitable purposes, net	45,222	33,169
General and administrative	4,848	4,072
Excise and income taxes	1,410	1,748
Total grants and expenses	51,480	38,989
Increase in unrestricted net assets	42,098	64,696
Net assets:		
Beginning of year	642,460	577,764
End of year	\$ 684,558	642,460

See notes to financial statements.

Statements of Cash Flows

(000's omitted)

Years ended December 31, 2005 and 2004	2005	2004
Operating activities:		
Increase in unrestricted net assets	\$ 42,098	64,696
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Depreciation	300	238
Net realized and unrealized gains on investments	(84,396)	(95,639)
Grants paid with stock transfers	11,784	8,506
Change in provision for losses on limited partnerships	(200)	(522)
Decrease in accrued investment income receivable	(12)	(54)
(Decrease) increase in due to (from) brokers for securities purchased (sold)	(797)	1,251
Decrease (increase) in prepaid expenses and other assets	328	(294)
Increase in accrued expenses	118	72
Increase (decrease) in grants payable	2,701	(111)
Increase in long term grants payable	7,809	
Net cash used in operating activities	(20,267)	(21,857)
Investing activities:		
Proceeds from the sale of investments	416,306	456,296
Purchase of investments	(373,016)	(429,910)
Purchase of property and equipment	(266)	
Net cash provided by investing activities	43,024	26,386
Financing activities:		
Payments on notes payable	(179)	(159)
Net increase in cash and cash equivalents	22,578	4,370
Cash and cash equivalents:		
Beginning of year	14,118	9,748
End of year	\$ 36,696	14,118
Supplemental disclosure of cash flow information:		
Cash payments for interest	\$ 16	17
Cash payments for excise and income taxes	1,592	1,950

See notes to financial statements.

December 31, 2005 and 2004

(1) ORGANIZATION AND PURPOSE

The Lynde and Harry Bradley Foundation, Inc. (the "Foundation"), a nonprofit organization, was incorporated under the laws of Wisconsin on June 29, 1942, to raise, invest and reinvest money, and devote the principal and net earnings therefrom perpetually and exclusively for charitable, scientific, literary, and educational purposes. The programs and funding decisions of the Foundation are the responsibility of the Foundation's Board of Directors.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and comply with the guidance in the American Institute of Certified Public Accountants Audit and Accounting Guide for Not-for-Profit Organizations.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Net assets of the Foundation and changes therein are not subject to donor-imposed stipulations and therefore are classified as unrestricted net assets.

(b) Use of Estimates

Management of the Foundation has made a number of estimates and assumptions relating to the reporting of assets, liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, gains, grants and expenses during the reporting period. Actual results could differ from those estimates.

(c) Cash Equivalents

Cash equivalents consist of short-term highly liquid instruments purchased with an original maturity date of three months or less. Such instruments are valued at cost, which approximates market value.

(d) Investments

Investment transactions are recorded on the trade date. Realized gains and losses on sales of investments are determined on the specific identification basis and include the effects of currency transactions related to holdings of foreign securities. Investments, including derivative instruments and hedge funds, are generally recorded at fair value based upon quoted market prices. Investments without quoted market prices are reported at the lower of cost or fair value. Investments without quoted market prices include certain limited partnerships (see Note 4). Fair value for certain limited partnerships is determined in good faith using procedures approved by the Foundation's Board of Directors. However, because of the inherent uncertainty of valuation, the estimated fair values for investments without quoted market prices may differ significantly from the values that would have been used had a ready market for the investments existed. These differences could be material.

The Foundation establishes a valuation allowance against investments without quoted market prices when the estimated fair value of an investment is less than the Foundation's cost. If a limited partnership is determined to be permanently impaired, it is written down to its net realizable value. The net realizable value then becomes its new cost basis.

The Foundation's investments denominated in foreign currencies are translated into U.S. dollars as follows: (1) securities, financial instruments and other assets and liabilities denominated in a foreign currency are translated on the last business day of each month at the spot exchange rate; (2) forward foreign currency contracts are marked to market or net settlement value on the last business day of each month; and (3) purchases, sales, income, and expenses are translated at the spot exchange rate prevailing on the respective dates of such transactions. The effect of changes in foreign currency exchange rates on investments denominated in foreign currencies are included in the statement of activities as a component of unrealized gain (loss) on investments.

(e) Land, Buildings, Furniture, and Fixtures

Land, buildings, furniture, and fixtures are stated at cost as of the date of acquisition. Depreciation of buildings and furniture and fixtures is provided on the straight-line basis over the estimated useful lives of the related assets as follows:

Assets	Years
Buildings	30
Land improvements	10
Furniture and fixtures	10

The cost of office equipment is consistently charged to expense because the Foundation does not deem such amounts sufficiently material to warrant capitalization and depreciation. The Foundation recorded \$300,000 and \$238,000 of depreciation expense in 2005 and 2004, respectively.

(f) Grants Payable

Unconditional grants, authorized by the Foundation's Board of Directors but not yet paid, are reported as liabilities to be paid in future years.

(g) Federal Income Tax

The Foundation has received a determination letter from the Internal Revenue Service indicating that it is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"). The Foundation is, however, subject to Federal income taxes on any net unrelated business income under the provisions of Section 511 of the Code.

(h) Federal Excise Tax and Distribution Requirements

The Foundation is subject to an excise tax on net investment income, including realized gains, as defined in the Code. The excise tax is 2% for foundations but is reduced to 1% if certain distribution requirements are met. The Foundation recognized excise tax at a rate of 2% in 2005 and 2004 and accrued excise tax of \$241,000 and \$241,000 at December 31, 2005 and 2004, respectively.

In addition, certain minimum annual qualifying distributions are to be made approximating 5% of average net investment assets less the excise tax on investment income. Meeting the minimum distribution requirement avoids a 15% excise tax on the difference between the distributed amount and the required minimum distribution.

During 2005 and 2004, the Foundation exceeded its minimum distribution requirements by approximately \$6,023,000 and \$8,847,000, respectively. At December 31, 2005, total excess qualifying distributions available from 2005 and prior years to be carried forward are approximately \$34,999,000 and expire as follows:

	Qualifying distribution in excess of minimum distribution
Year	(000's omitted)
2006	\$ 6,791
2007	5,406
2008	7,932
2009	8,847
2010	6,023
	\$ 34,999

(i) Reclassifications

Certain 2004 amounts have been reclassified to conform to the 2005 presentation.

(3) INVESTMENTS

(a) International Securities and Foreign Currency Contracts

The Foundation's investments in international securities are denominated in various foreign currencies and therefore are subject to fluctuations in foreign currency exchange rates. At times, the Foundation enters into forward currency contracts whereby the Foundation agrees to exchange one currency for another on an agreed-upon date at an agreed-upon exchange rate in the future. The Foundation enters into these contracts primarily to hedge its foreign currency exposure related to international holdings. Foreign currency contracts are recorded at fair market value based upon net settlement amount. Such contracts

involve, to varying degrees, risk of loss associated with the inability of counterparties to meet the terms of their contracts. Changes in the value of forward currency contracts are recognized as unrealized gains or losses until such contracts are closed. The maturities of those contracts are generally less than nine months. Unrealized losses on open foreign currency exchange contracts at December 31, 2005 and 2004 were \$(6,200) and \$(202,000), respectively. Net realized and unrealized gains (losses) on foreign currency exchange contracts recognized in the statement of activities were \$1,500,000 and \$195,800, respectively, during the year ended December 31, 2005 and \$(285,000) and \$(77,000), respectively, during the year ended December 31, 2004.

(b) Securities Lending Activities

The Foundation has security lending arrangements with The Northern Trust Company (Northern) whereby certain of the Foundation's marketable securities are loaned to designated counterparties (borrowers) in exchange for acceptable collateral (cash, government securities, and irrevocable letters of credit). Such arrangements involve risk of loss arising from the potential nonperformance of the borrowers. The minimum collateral required is 102% of the market value of the securities on loan at the time of initiating the loan. On a daily basis, securities on loan are marked to market and collateral levels are adjusted to maintain a minimum of 102% of the loan. Northern or a third-party agent holds collateral in custody.

The market value of the loaned securities was \$50,810,000 and \$53,224,000 at December 31, 2005 and 2004, respectively. In exchange for loaned securities, the Foundation received cash collateral of \$49,818,000 and non-cash collateral of \$2,663,000 at December 31, 2005 and cash collateral of \$52,687,000 and non-cash collateral of \$2,094,000 at December 31, 2004. In accordance with SFAS No. 140, the cash collateral is shown as both an asset and liability of the Foundation. The income earned from securities lending activities was \$108,000 and \$108,000 for the years ended December 31, 2005 and 2004, respectively.

(4) ALTERNATIVE INVESTMENTS

The Foundation has alternative investments totaling \$282,922,000 and \$220,988,000 as of December 31, 2005 and 2004, respectively. \$226,225,000 and \$180,886,000 of the investments as of December 31, 2005 and 2004, respectively, comprise liquid partnerships and real assets that are recorded at fair value based upon quoted market prices. \$56,697,000 and \$40,102,000 of the investments as of December 31, 2005 and 2004, respectively, comprise investments in private equities and hedge funds without quoted market prices.

(5) LAND, BUILDINGS, FURNITURE, AND FIXTURES

Land, buildings, furniture, and fixtures comprise the following assets at December 31, 2005 and 2004:

	(000's omitted)	
	2005	2004
Land and land improvements	\$ 530	530
Buildings and building improvements	4,876	4,876
Furniture and fixtures	867	601
	6,273	6,007
Less accumulated depreciation	1,896	1,596
	\$ 4,377	4,411

(6) GRANTS

Unconditional grants approved for charitable purposes during 2005 and 2004 are summarized as follows:

	(000's omitted)	
	2005	2004
Total grants approved for charitable purposes	\$ 45,339	33,222
Returned or cancelled grants	(117)	(53)
Grants approved for charitable purposes, net	\$ 45,222	33,169

Grants payable in more than one year are stated at fair value. Fair value is determined as the present value of estimated future cash flows using a discount rate of 4.3%. Grants payable as of December 31, 2005, are scheduled to be disbursed as follows:

Year	(000's omitted)
Less than one year	\$ 9,864
One to three years	9,000
	18,864
Discount	(1,191)
	\$ 17,673

(7) NOTES PAYABLE

The Foundation had a \$2,500,000 revolving credit note agreement with a bank bearing interest at prime less 1.25%. The Foundation terminated the line of credit on September 15, 2004, and financed the remaining balance with a fixed rate note that bears interest of 3.5% over a three year term. Loan balances were \$328,000 and \$507,000 at December 31, 2005 and 2004, respectively. The note is collateralized by investments held in a custodial account.

(8) DONOR INTENT PROGRAM

In 2002, the Foundation established a Donor Intent Program whereby unrestricted contributions are received from independent donors. Donors are permitted to recommend that grants be made to organizations that are qualified as a public charity under Section 501(c)(3) of the Internal Revenue Code in an amount up to the donor's contribution. Although guided by the donor's recommendation, the Foundation has no legal obligation to follow that recommendation. Contributions to the Donor Intent Program are irrevocable and all donor recommended grants must be reviewed and approved by the Board of Directors of the Bradley Foundation. Donor contributions were \$3,307,000 and \$2,553,000 in 2005 and 2004, respectively. The 2005 and 2004 donor contributions were awarded and paid in the year the contributions were received.

(9) EMPLOYEE BENEFIT PLANS

The Foundation sponsors a defined contribution plan for substantially all employees. Contributions by the Foundation are determined as a percentage of the covered employee's annual salary. Amounts expensed under this plan totaled \$199,000 and \$197,000 in 2005 and 2004, respectively.

The Foundation provides for certain post employment and supplemental retirement benefits for certain officers and other executives of the Foundation. Amounts expensed under these plans totaled \$66,000 and \$69,000 for 2005 and 2004, respectively.

(10) CONFLICT OF INTEREST

It is the policy of the Foundation that all officers and directors shall avoid any conflict of interest between their individual interests and the interests of the Foundation. The Foundation has a conflict of interest policy whereby officers and directors must advise the board of any direct or indirect financial interest in any organization that had transactions with the Foundation. There were no such transactions in 2004 and 2005. The directors must disclose grantee charitable organizations for which they serve as a board member or have a close relationship, and abstain from voting for the approval of grants to those organizations. During 2005 and 2004, the Foundation awarded grants of \$4,495,000 and \$2,613,000, respectively, to such charitable organizations.

(11) COMMITMENTS

As part of its investment management activity, the Foundation is committed to additional funding of \$8,317,000 for private equities at December 31, 2005. In addition, as part of its grant activity, the Foundation has committed grants to certain organizations of \$10,000,000 at December 31, 2005.

(12) REMAINDER INTEREST IN TRUST

The Foundation has a remainder interest in an independent trust (the Trust) for which an unrelated third party acts as trustee. The Foundation is entitled to receive 70% of the trust principal upon the death of the primary beneficiary of the Trust, contingent upon actions exercised during the life of the Trust by other parties to the Trust Agreement. The total market value of the Trust at December 31, 2005, as reported by the trustee, was \$174,283,000. The Trust has not been included within the Foundation's financial statements because of the contingencies associated with determining the final amount of the Foundation's remainder interest in the Trust.

(13) SUBSEQUENT EVENT

Effective February 22, 2006, four board members of the Foundation became board members of Encounter for Culture and Education, Inc., a grantee of the Foundation.